

PRIMER

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The 114th Indiana General Assembly approved a Cost of Living Adjustment (COLA) for Indiana retired teachers. The pension increases will begin with the February 1, 2007 benefit checks. Retirees and disability retirees or their co-survivors who retired or were disabled before July 2, 1991 will get a 2% increase. Retirees and disability retirees or their co-survivors who retired or were disabled after July 1, 1991 and before July 2, 2004 will receive a 1% increase (HEA 1368, 2006). The percentage increase is only for the State Pension and not the Annuity portion of your monthly benefit.

Letter from the Executive Director



I am honored to be your new Executive Director. During my 24 years of practicing law in the State of Indiana, I have counseled a number of large Indiana companies on the design, investment and implementation of their defined benefit and defined contribution pension plans. I was born in Indiana and have lived here all my life. My mother, Bertie Crago, is a retired Indiana teacher who taught in Monticello and Greenfield. My actions will always be driven by the mission of the Indiana State Teachers' Retirement Fund, "to prudently manage the Fund in accordance with fiduciary standards, provide quality benefits, and deliver a high level of service to its members, while demonstrating responsibility to the citizens of the state."

First, I want to thank Bob Newland, our Deputy Director and Chief Investment Officer, for his leadership as Interim Executive Director after Dr. Christopher retired. I also want to thank Dr. Christopher for his leadership of the Fund from 1999-2005 and wish him well in his retirement.

Let me now introduce to you the new Board of Trustees for the Fund. I have been very impressed with the exceptional dedication and experience these individuals bring to our Board:

President: Don Bennett, Partner, Baker & Daniels Law Firm, Indianapolis
Vice President: Tim Walsh, Principal, Walsh Financial Services, Crown Point
Secretary: Karen Davis, Teacher, North Gibson School Corporation, Princeton
Trustee: Kevin Boehnlein, Investment Advisor, Edward Jones, Clarksville
Trustee: Chuck Schalliol, Director of the Indiana Office of Management and Budget, Indianapolis
Trustee: Cari Whicker, Teacher, Riverview School, Huntington

I have also made a few organizational design and personnel changes at the Executive Staff level. The following are the Executive Staff: Crystal Lawson, Deputy Director and Director of Operations; Bob Newland, Deputy Director and Chief Investment Officer; Tom Abbett, Controller; Tom Davidson, General Counsel; Ken Smithee, Human Resources Director and David Yeater, Internal Auditor. I can assure you they are all experienced professionals who continually strive to improve the performance of their groups and the service we provide to you.

It does not seem possible that seven months have already passed since I arrived at the Indiana State Teachers' Retirement Fund. You will see in this issue of the *Primer* that we have already delivered on some of our goals for 2006 and have many more service and efficiency oriented goals set for the rest of the year. On behalf of Governor Daniels, the Board of Trustees and the staff of the Fund, thank you for your dedication to the education of the young people of Indiana!

Are you Retiring this Year?

While our application is user friendly, we have put together some helpful tips for completing the 2006 Retirement Application successfully:

2006 Retirement Application

- ◆ Complete the entire application in black or blue ink.
- ◆ Be sure to initial next to any corrections you make.
- ◆ Include a copy of an acceptable form of proof of birth for both you and your co-survivor (if applicable). Acceptable forms of birth verification include:
 - ⇒ A Certificate of Birth Registration signed by the health officer from the county where the birth occurred;
 - ⇒ A valid United States Passport
- ◆ **Note:** A birth certificate issued by the hospital is not an acceptable form for proof of birth.
- ◆ You must choose one pension option on page 3. If you are under age 62, you may also elect the Option A-4, Social Security Integration, in combination with your pension option.
- ◆ If you are electing Option A-4, be sure to include a copy of your most recent Social Security Statement.
- ◆ You must choose one annuity option on page 4.
- ◆ Carefully read the directions before completing page 5. This page may not apply to you.
- ◆ Be sure to have your signature properly notarized on page 6.
- ◆ If you elect Direct Deposit, you must complete the Application for Direct Deposit form.
- ◆ You will need to complete Parts I and II; your financial institution needs to complete and sign Part III.
- ◆ Once you have completed your portion of Part II, please submit this to your last employer.
- ◆ The Substitute Federal Tax Withholding form is required. You will need to complete this form, including the dollar amount of federal income taxes you wish to have withheld each month.

SOMETHING GOOD JUST GOT BETTER



Need to contact us by phone? You will no longer have to explain your need to more than one person. You will be able to self select and go directly where you want to go.

Recently, we implemented a new phone vectoring system to facilitate communications with you, our members. This new system will not only reduce hold times it will ensure fast relevant responses to all calls.

Our phone vectoring system is equipped with user friendly menus designed to link your question or concern with the most knowledgeable staff member.

Be assured this change has been made for greater efficiency in meeting your needs. The Indiana State Teachers' Retirement Fund will continually explore ways to enhance service delivery.

ISTRF Trivia

- A. What percentage of a member's Annuity Savings Account balance belongs to the member?
- B. How many components make up the Teachers' Retirement Fund plan?
- C. What is the percentage chance that the State won't pay the members' retirement benefit?
- D. What is the dollar amount in the Pension Stabilization Fund as of June 30, 2005?
- E. What are the total assets under management in the Fund as of June 30, 2005?
- F. What is the percentage return for Fund assets for the year ending June 30, 2005?
- G. What is the percentage return for Fund assets for the last 15 years ending June 30, 2005?

Answers: A. 100, B. 2—Annuity Savings Account and A Defined Pension Portion, C. 0, D. 1,971,031,635, E. \$ 7,128,529,870, F. 8.64%, G. 7.87%



WEB NEWS

User Survey - Tell us what you think. In our effort to improve customer service we've implemented a survey that will allow you to tell us how we can better serve you. Now approximately 10% of all visitors will be asked to provide comments when visiting our website. If you are not one of the 10%, we would still like to hear from you. You may click on "Feedback" to take the survey. Please take a moment to "tell us what you think," we would appreciate your participation.

Live Help—Enhancements have been made to improve our existing service. *Live Help* still provides the same look but has been upgraded to offer more on-line help. Additionally, we've added a feature which allows you to "chat" with a specific department.

2006 Retirement Application—For your convenience, this is available to download from our website.

Coming Soon to the TRF Website:

New Look—TRF will be unveiling a new look with improved functionality for a user friendly web service.

TRF Interactive—Access your TRF interactive account on-line. In June 2006, TRF will implement an on-line account maintenance system. This interactive system will provide you with control of your information and will eliminate the need to submit paper forms for the following account changes:

- Address;
- Beneficiary;
- Beneficiary address;
- Investment allocation.

Printer Friendly Pages—Have you ever printed a web page, only to find that the margins have cut off some of the page? Soon TRF will offer printer-friendly web pages.

Newsletter by E-mail—You will be able to sign up to receive our "Primer" by e-mail.

Contacting your Fund



Toll Free (888) 286-3544
Direct (317) 232-3860
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Email trf@trf.in.gov
Web www.in.gov/trf

Business Hours: 8:00 a.m.- 4:30 p.m.

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The Primer is published by the Fund to update members on news and general information about Fund Benefits. Specific information is available in the Active Members' Handbook, the Retiring Members' Guidebook or by contacting our office.

WE'RE EXPANDING OUR SERVICE

We are now available to discuss your retirement all year long. Beginning this year we will take summer appointments to accommodate your schedule and eliminate the need for you to take time away from school to meet with us. Call today to schedule an appointment this summer. We look forward to seeing you soon to help you prepare for your retirement.

Mitch Daniels, Governor

Board of Trustees

Don Bennett, President
Tim Walsh, Vice President
Karen Davis, Secretary
Kevin Boehnlein, Trustee
Charles Schalliol, Trustee
Cari Whicker, Trustee

Cristy Wheeler, Executive Director

**Time
Zone**

**Effective April, 2,
2006 we are on Eastern
Daylight Savings Time.**



Guaranteed Fund Rate Set at 5.5%

The Board approved the Guaranteed Fund Rate at 5.5% effective July 1, 2006—June 30, 2007.

Pre-Retirement Workshop Schedule

We will be holding Pre-Retirement workshops for members interested in learning more about the retirement process. Below are the next two scheduled workshops (times are local). Please refer to our website to see any added workshops.

September 26, 2006

4:00 p.m.

Salem, In

October 5, 2006

4:00 p.m.

Richmond, In